

# Boosting Small Business

*Small business is the engine of the American economy and a major source of employment. Small enterprises create two out of every three new jobs, and more than half of all Americans work for or own a small business.*

*Source: Small Business Administration*

Ex-Im Bank is dedicated to working with small businesses to help them to access the financing they need to grow through exporting. In support of the National Export Initiative (NEI), the Bank is adding new small-business customers. And we are making steady progress. Over 2,500 new small-business customers have been added since the announcement of the NEI in 2009.

We are reaching more small businesses than ever before. *In FY 2013, Ex-Im Bank approved a record-high 3,413 small-business authorizations.* In FY 2013, 625 U.S. small businesses were first-time users of Ex-Im products. The Bank authorized amounts under \$500,000 for 1,923 small-business transactions.

Minority-Owned and Woman-Owned Support – In FY 2013, Ex-Im Bank authorized \$815.6 MILLION to support 761 transactions by U.S. small and medium-sized businesses known to be owned by minorities and/or women. This financing represents 3 percent of all Ex-Im authorizations – an all-time high. *Approximately one in five Ex-Im transactions directly benefited minority-owned or woman-owned small businesses.*

**Ex-Im Bank has added 2,500  
new small-business customers  
since 2009.**

## FINANCING BENEFITING SMALL BUSINESS

**Direct Support** – Measured by **dollar volume**, Ex Im financing that directly benefits small businesses has increased by 36 percent or more in each of the past five years since FY 2008. Ex Im's FY 2013 small-business authorizations were **\$5.2 BILLION, accounting for 19 percent of the total dollar volume of authorizations.**

When measured by **number of authorizations**, however, Ex Im's direct small business support has increased even more dramatically. In each of the past five years, the number of small business authorizations has accounted for 86 percent or more of Ex Im's total authorizations. In FY 2013, the Bank approved a record high 3,413 small business authorizations **almost 90 percent of the total number of Ex Im authorizations.**

**Indirect Support** – Small businesses often serve as suppliers for U.S. exporters in larger transactions and derive business indirectly from Ex Im's long term loans and guarantees. These transactions typically are for \$10 million or more and/or have a repayment term in excess of seven years. At the time of authorization, the Bank captures the value provided by small business suppliers by estimating the participation of small businesses in the overall long term transaction.

The Bank estimates that the export value of its long term transactions in FY 2013 was \$17.3 billion, of which **\$740 million represents indirect small business support.** The indirect small business support represents four percent of the total estimated export value associated with long term transactions.



## EX-IM BANK INSURANCE HELPS WOMAN-OWNED SMALL BUSINESS CREATE 20 NEW JOBS

**Auburn Leather Co.** is a woman owned small business that manufactures leather laces for the footwear and sporting equipment industries. The company has experienced an increase in demand for their laces from foreign manufacturers, leading to an upswing in sales, due in part to the Ex Im small business insurance policy that Auburn uses.

Ex Im Bank's insurance protects the company against foreign buyer nonpayment and facilitates the company's access to working capital funds. These funds have supported the growth of the firm, which has added at least 20 jobs in the last two years. Exports now account for more than 45 percent of Auburn's sales.

In Auburn's first year in business, the company had 12 employees and \$900,000 in sales. Auburn Leather has grown to more than 120 employees and currently has \$20 million in annual sales.

*Ex Im Bank is enabling us to meet the global demand for our genuine, American made rawhide laces. I look forward to additional growth in the coming years.*

*Lisa Howlett, president and CEO, Auburn Leather Co.*

### **Exporter:**

**Auburn Leather Co.,  
Auburn, Kentucky**

### **Markets:**

Worldwide, including Hong Kong,  
China and Indonesia

### **Ex Im Bank Product:**

Small-Business Insurance

### **Jobs Supported:**

50

### SMALL-BUSINESS OUTREACH

Throughout FY 2013, Ex-Im board members and staff engaged small businesses across the country in town-hall style discussions known as Global Access forums. These forums provide small companies with the insights and expertise to reach foreign buyers. The Bank has sponsored 60 Global Access forums nationwide since the launch of Global Access for Small Business in January 2011.

To reach more companies often underserved by export credit, Ex-Im staff have participated in 182 seminars nationwide sponsored by women-business centers, small-business associations, minority-focused chambers of commerce and other organizations.

Ex-Im's Regional Export-Finance Centers focus exclusively on small business. They are located in three principal regions: Eastern (main office in Miami), Central (main office in Chicago) and Western (main office in Newport Beach, Calif.), with additional offices in each region. See the map of Ex-Im Bank Regional Export-Finance Centers on the inside back cover.

### INCREASED LENDER/BROKER PARTICIPATION

Ex-Im Bank leverages its resources by working with private-sector lenders, insurance brokers, and other financial and trade institutions. The Bank works to expand these partnerships to make its financing products more accessible to small businesses.

By the end of FY 2013, 133 lenders were enrolled in Ex-Im's Working Capital Guarantee Program, 109 of which have delegated authority to provide Ex-Im's guarantee of working capital loans without prior Ex-Im approval. A total of 14 new lenders were added in FY 2013. An additional 22 brokers serving small businesses were added to the Bank's roster of 138 active brokers providing Ex-Im's export-credit insurance.

### INDIRECT SUPPORT FOR SMALL-BUSINESS MANUFACTURERS



A family owned small business, **Davis Tool Inc. (DTI)**, is a high tech contract manufacturer of precision formed metal parts. The 160 employee company is part of a global supply chain serving the aerospace, medical and computer industries. DTI exports its products and also ships parts to other manufacturers, including The Boeing Company, America's largest exporter.

*We consider Ex Im Bank financing for U.S. aircraft manufacturers to be a major support of the demand for our supply chain business.*

**Ron Davis, Jr., president, Davis Tool Inc.**

**Exporter:** **Davis Tool Inc., Hillsboro, Oregon**

**Ex Im Bank Product:** Indirect Support

**Markets:** Worldwide

**Jobs Supported:** 40